



Pacific NorthWest Economic Region

2003-2004

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November 17, 2004

Judy Danielson
Chair

Northwest Power & Conservation Council
851 SW 6th Avenue, Suite 1100
Portland, OR 97204-1348

Dear Judy,

We would like to thank the Council for the exceptional work they have done in preparing the Fifth Northwest Power and Conservation Plan.

As you know the Pacific Northwest Economic Region is a statutory body representing the states of Alaska, Washington, Oregon, Idaho, and Montana, as well as the Canadian provinces of British Columbia, Alberta, and the Yukon Territory. PNWER's leadership is made up of elected legislators and industry leaders from all of the above jurisdictions.

The PNWER Energy committee reviewed the plan and would like to submit some general comments:

- 1) PNWER convenes regular conference calls and meetings with the Legislative Energy Chairs of all the states and provinces in the PNWER region, and we would offer to work with the Council and other groups to address these critical issues in the near term. As we have worked in the past with the Council, we recommend that the entire energy system must be included in this discussion, especially including British Columbia – because of BC Hydro and BC Transmission Corporation's integrated resource with the regional power grid, and also Alberta, because of the tremendous potential of oil sands co-generation resources. PNWER offers to be a partner with the Council to help address these issues. We also offer our assistance to bring a greater awareness in the legislatures of the states and provinces on the ongoing work of the Council.

*Partial listing

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- 2) PNWER's Energy Working Group has identified a serious concern about the long lag time necessary to permit any new transmission, and that there are significant obstacles to permitting, especially multi-state/jurisdiction projects or corridors. Efforts should be accelerated to identify the most likely corridors that will be needed within the 20 year time frame of the plan, and to examine enabling legislation for corridor siting.
- 3) Although the plan makes reference to the value of developing renewable energy such as wind in the near term to offset price volatility of fuels, we feel that it does not do enough to recommend actions necessary for transmission infrastructure improvements to connect this generation to the regional grid.
- 4) While many developed integrated resource plans recognize the need for acquiring renewable generation, we are concerned that neither the IRP's or the NWPCC plans acknowledge the challenges in getting renewable generating sites developed and permitted. In many cases for large wind farm proposals, siting the facility is the most cost intensive part of the development process. In addition, for distributed generation, a vast array of differing interconnection standards make it difficult for developers to enter into the Northwest Market. A standard interconnection process across the region would help encourage the expansion of distributed renewable generation.

Sincerely,



Representative George Eskridge
PNWER Energy Chair
Vice President, PNWER



Matt Morrison
PNWER Executive Director

Senator Aubyn Curtiss, Montana Executive Committee Member

Senator David Nelson, Oregon Executive Committee Member

Representative Jeff Morris, PNWER Past President, Washington State

Cc: Mark Walker, Director of Public Affairs, NWPCC